

Koch, Kristine

From: Jennifer Woronets [jworonets@anchorqea.com]
Sent: Thursday, October 10, 2013 1:34 PM
To: Humphrey, Chip
Cc: Koch, Kristine; Penoyar, Susan; James McKenna; Bob Wyatt; Todd King (kingtw@cdm.com); Gary Hazen (hazengl@cdmsmith.com); Bob Wyatt; Dave Livesay; David Ashton; Fred G. Wolf (Frederick.wolf@total.com); Fred Wolf email 2 (b) (6); Jennifer Woronets; Jessica Hamilton (Jessica.Hamilton@portofportland.com); Jim McKenna (jim.mckenna@verdantllc.com); Karen Moynahan (karen.moynahan@portlandoregon.gov); Karen Traeger (karen.traeger@total.com); Kim Cox (kim.cox@portlandoregon.gov); Madalinski, Kelly; Patty Dost; Steve Parkinson (sparkinson@jzplaw.com); brandy.humphreys@grandronde.org; ANDERSON.Jim@deq.state.or.us; audiehuber@ctuir.com; Bob Wyatt; Colin Wagoner; cunninghame@gorge.net; Dave Livesay; erin.madden@gmail.com; Gail Fricano (gfricano@indecon.com); Humphrey, Chip; JD Williams (jd@williamsjohnsonlaw.com); Jennifer Kassakian (jkassakian@indecon.com); Jennifer Woronets; Jim McKenna (jim.mckenna@verdantllc.com); Julie Weis; Kim Cox (kim.cox@portlandoregon.gov); Kim D'Aquila (kim.daquila@grandronde.org); Koch, Kristine; Madalinski, Kelly; Matt Johnson (matt@williamsjohnsonlaw.com); MCCLINCY Matt; Rachel DelVecchio (rdelvecchio@indecon.com); Robert.Neely@noaa.gov; rose@yakamafish-nsn.gov; Tom Gainer (GAINER.Tom@deq.state.or.us); John Verduin; Jeff Warren; Amanda Shellenberger; Carl Stivers; Jennifer Woronets
Subject: RE: Request for backup cost information
Attachments: Cost Estimate Backup.pdf

Chip,

Please see attached response to EPA's September 10 request for additional backup cost information.

Let us know if you have any questions.

Thank you,
Jen Woronets ☺
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From: Humphrey, Chip [<mailto:Humphrey.Chip@epa.gov>]
Sent: Tuesday, September 10, 2013 11:26 AM
To: Bob Wyatt; James McKenna
Cc: Jennifer Woronets; Koch, Kristine; Penoyar, Susan
Subject: Request for backup cost informaiton

Bob and Jim

As we have discussed, EPA is conducting an independent analysis of many of the elements presented in the draft FS. These include the screening of remedial technologies, the development of remedial action alternatives and the detailed and comparative analysis of remedial action alternatives.

As part of this independent analysis, EPA has been reviewing cost information presented in Appendix K of the draft FS. However, Appendix K of the draft FS does not provide sufficient backup for unit costs. For example, while Section 2.3 of Appendix K includes assumptions for the development of the unit costs, quotations from suppliers and subcontractors are not documented in the backup.

Please provide the backup cost information described below so EPA can to conduct an independent evaluation of remedial action alternatives. The information should be consistent with EPA cost estimation guidance (A Guide to Developing and Documenting Cost Estimates during the Feasibility Study - EPA 540-R-00-002). Exhibit 6-1 of EPA 540-R-00-002 presents an example of the level of transparency required to independently review and confirm unit cost elements. EPA needs sufficient backup and transparency to properly evaluate the remedial action alternatives in the draft FS.

Backup information should include copies of specific vendor quotes, the unit cost base year for escalation if necessary, project location information, and any applied contractor markups, including overhead and profit. If the unit cost is based on a similar project, the scope, location and date of the previous project should be summarized.

In addition to the backup, the assumptions used to develop the cost estimates should also be provided. For example, the cost estimate for off-site disposal should present how the disposal costs are allocated between construction of the transload facility, transport to the disposal site and disposal at the off-site location.

A cost summary for each individual remedial alternative that identifies the total quantity and cost for each cost element and sub-element should be provided such that the electronic version of the tool is not necessary to follow the derivation of the quantities for each cost element. The cost summary can be used to trace each cost element to its underlying assumptions.

Please provide this information to EPA within 30 days of this request. Feel free to contact me if you have any questions regarding this request or if you would like to have your consultants contact EPA's consultants directly on this matter.

Chip Humphrey
EPA